



DEVELOPMENT COMMITTEE

JOINT MINISTERIAL COMMITTEE
OF THE
BOARDS OF GOVERNORS OF THE BANK AND THE FUND
ON THE
TRANSFER OF REAL RESOURCES TO DEVELOPING COUNTRIES

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Lima, Peru, October 10, 2015

1. The Development Committee met today, October 10, 2015, in Lima.
2. Global growth remains weak, and the downside risks for the second half of 2015 and 2016 have risen. A moderate recovery in high-income countries is still continuing, but prospects of tighter financing conditions, slowing trade, and renewed weakness in commodity prices are weighing on confidence in many developing countries. We call on the World Bank Group (WBG) and the International Monetary Fund (IMF) to monitor risks and vulnerabilities closely, to enhance their assistance to countries to support growth and build resilience, and to play their countercyclical role when needed.
3. Given the scale of the current refugee and migrant crisis, we call for targeted support, in collaboration with the UN and other partners, in addressing the challenges for countries and regions in turmoil, especially in the Middle East and North Africa, but also in other fragile and conflict states.
4. The Sustainable Development Goals (SDGs) chart a new course for development for the next 15 years. The SDGs are universal, integrated, and align with the WBG's corporate goals. Building on the *Billions to Trillions* discussion at the last Spring Meetings we endorse the WBG's role and support for the 2030 Agenda for Sustainable Development. This will involve convening, connecting and coordinating with governments, UN, IMF, MDBs, and the WTO, private sector and civil society to mobilize the financing needed; deliver development solutions at country, regional, and global levels, including through South-South cooperation. We stress the need to focus on inclusive growth, jobs, infrastructure, human development and health systems, and to deepen the WBG's engagement in fragile and conflict states. Private sector development is crucial to achieving the SDGs. We call on the IFC and MIGA to play a more catalytic role to mobilize private sector investment and finance for development. We welcome the steps the WBG has taken to enhance its effectiveness and delivery to respond to strong demand, through operational reforms and optimizing the use of its balance sheets and external resources. We recognize that the WBG must remain adequately resourced to meet its goals and to contribute to the SDGs and climate agendas.
5. IDA remains a critical tool to achieve the WBG's goals and the SDGs and we look forward to continued strong IDA replenishments and further consideration of options to generate additional IDA financial capacity while ensuring continued focus on the poorest countries.
6. We welcome the IMF's support for the 2030 Agenda, including its decision to increase access to concessional lending facilities, and its work to boost economic resilience and sustain global economic and financial stability.

7. We urge the WBG and the IMF to scale up their support to developing countries to improve domestic resource mobilization, public financial management and to curb illicit finance. Illicit finance and the underlying activities, including tax evasion, corruption, criminal activities, collusion, represent a major drain on the resources of developing countries. We welcome their plans to work jointly to build capacity for developing countries, including on international tax issues.
8. Climate change and natural disasters put hard-earned development gains at risk, particularly for the poor and vulnerable. Smart policy and investment choices can help transition to economic growth paths that reduce poverty while preserving the environment. We urge the WBG to scale up its technical and financial support and mobilize resources to assist countries in assessing climate risks and opportunities, to address the drivers of climate change, and to build resilience. We look forward to an updated report on Disaster Risk Management in Spring 2016. We call on the WBG to enhance its support for small states in building resilience against and mitigating the impact of natural disasters and climate change, which are among the greatest challenges faced by these countries. We look forward to a successful COP21 meeting in Paris.
9. We reaffirm our commitment to gender equality, critical to ending poverty, boosting shared prosperity, and building more inclusive societies. We look forward to the implementation of a new WBG gender strategy aimed at closing persistent gender gaps.
10. The Global Monitoring Report has proven its value in tracking progress in achieving the MDGs and we are confident it will play a similar role for the SDGs. The latest GMR shows that changes in global demography will profoundly affect the trajectory of global development during the 2030 Agenda period. With the right policies, demographic change can help growth both in developing and developed economies. We urge the WBG to take demographic challenges into account in its work to support development policies.
11. We stress the importance of strengthening data quality and coverage, and its availability for policy making and for monitoring and implementing the SDGs. We call on the WBG and the IMF to increase their support to developing countries in building national data capacity and investing in evidence.
12. We welcome the Report of the 2015 Shareholding Review and agree to the shareholding review principles and the Roadmap for its implementation, including further consideration of the WBG's long term role. We commit to implementing the Roadmap, including agreement on a dynamic formula by the 2016 Annual Meetings, based on the guidance set out in the report. We stress the critical importance of wider reforms to strengthen WBG responsiveness to its members and their voice and representation in its governance. We will continue to promote diversity and inclusion to reflect better the global nature of the WBG.
13. Delivering transformative development solutions requires a focus on results, support for implementation, and fiduciary and safeguards policies to manage risks. This will ensure responsiveness to client needs and deliver sustainable development outcomes. We welcome the new procurement framework approved in July 2015 and look forward to successful completion of the review and update of the World Bank's environmental and social framework.
14. The Committee expressed its appreciation to the Government of the Republic of Peru for hosting the Annual Meetings. We thanked Mr. Marek Belka, President of the National Bank of Poland, for his valuable and outstanding leadership and guidance as Chairman of the Committee during the past four years, and welcomed his successor, Mr. Bambang Brodjonegoro, Minister of Finance of Indonesia.
15. The next meeting of the Development Committee is scheduled for April 16, 2016, in Washington, D.C.